

July 18, 2007

Marlene H. Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, SW Washington, DC 20554

Re: Notice of Ex Parte Presentation

WT Docket Nos. 96-86, 06-150 and 06-169; PS Docket No. 06- 229

Dear Ms. Dortch:

On July 18, 2007, Subodh Nayar, Chief Operations Officer of Great American Broadband, Inc. ("GAB"), and Dr. Alan Pearce, Chief Economist of GAB, met with Renee Crittendon and Barry Ohlson, legal advisors for Commissioner Jonathan S. Adelstein, to discuss the benefits associated with adopting a 20 percent "rural market bidding credit" for the 700 MHz service. GAB's position supports the views expressed in Comments and Reply Comments filed by the Wireless Internet Service Providers Association, and are summarized in the attached page that was distributed at the meeting.

GAB stated that it is a new entrant that is acquiring wireless Internet Service Providers ("WISPs") in rural areas around the country, with plans to acquired licensed spectrum as a platform for expanded services and wider-area coverage resulting from the excellent propagation characteristics of 700 MHz spectrum. GAB explained that the bidding credit, coupled with the assignment of two CMA blocks and geographic build-out requirements, would promote expeditious deployment of 700 MHz service in rural markets.

In response to a question from Mr. Ohlson, GAB responded that the bidding credit would encourage greater participation in the auction for rural markets. GAB further explained that it did not expect informed bidders for rural markets to engage in irrational bidding given the commercial and operational challenges extant in rural America.

Pursuant to Section 1.1206 of the Commission's Rules, this notice is being filed via ECFS in the above-referenced proceedings. Please direct any questions regarding this notice to the undersigned.

Sincerely,

/s/ Subodh Nayar Subodh Nayar

cc: Renee Crittendon Barry Ohlson



## 700 MHz Service Rules

GREAT AMERICAN BROADBAND, INC. is a new company that is acquiring wireless Internet Service Providers in rural markets throughout the country. GREAT AMERICAN BROADBAND believes that licensed spectrum, if made available at reduced cost, can change the way that rural Americans can access broadband services. Working with local WISPs, GREAT AMERICAN BROADBAND plans to participate in the 700 MHz auction by bidding on rural Cellular Market Areas ("CMAs") if the FCC adopts a "rural market bidding credit" that reduces costs for new entrants.

GREAT AMERICAN BROADBAND urges the FCC to adopt a 20 percent rural market bidding credit for the 428 rural CMAs to bidders that do not have a "material relationship" with a "large wireless carrier" or "large cable operator" (*i.e.*, companies with average gross revenues of exceeding \$5 billion for the three years preceding the auction).

The rural market bidding credit will promote the public interest in the following ways:

- > Greater public participation in the 700 MHz auction.
- ➤ Entry costs will be reduced, allowing winning bidders to allocate a higher percentage of capital expense to build-out.
- New entry will be facilitated, promoting diversity in the ownership of wireless facilities.
- New entry will spark competition in served areas and enable "greenfield" service in unserved rural areas.
- Economic opportunities will be advanced through employment, teleworking and retention of commercial enterprises that are flocking to larger markets that have broadband.
- ➤ Large carriers can still participate in the rural CMA auction unlike set-asides or ownership restrictions, no bidder would be excluded.

Without harming any bidder or incumbent, the rural market bidding credit helps those bidders that need the most help to serve the rural areas of the country that are most in need.